

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

OPEN MEETING MINUTES

April 23, 2020

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference only at 866.453.5550/password 7545643 due to the COVID-19 pandemic.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Randy Croxton
Laura Pasternak	Anthony Williams
Sharon Pinder	Mark Harrison
Clemis Kaikis	Timothy Smoot
Chuck Martin	Stanley Tucker
Mara Sierocinski	Robin Harris
Gina Ramsey	
Kenny Oreagba	

Attorney General's Office
Barbara Kountz, Deputy Counsel

AGENDA

MINUTES

March 26, 2020

EXTENSION

Flight Fab, Inc.

REPORT

Tri-State Solutions of Maryland, LLC

MODIFICATION

Mahogany, Inc.

Transdermal Specialties Global, Inc.

Visionary Women's Health, LLC

NEW REQUEST

Newman's Body Shop Personal Training, Inc.

REACH, LLC

Rosco USA, Inc., dba 7-Eleven (Pasadena)

The closed session of the March 26, 2020, meeting was summarized. The Authority Board meeting was attended by Les Hall, Clem Kaikis, Laura Pasternak, Gina Ramsey, Chuck Martin, Mara Sierocinski, and Kenny Oreagba. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was closed to discuss the following:

All of the requests were approved.

1. Visionary Women's Health Center, LLC - Approve waiver of pledge of Dr. Gueye's personal residence; accept Andrew Weinstein as guarantor; accept the pledge of a 3rd lien IDOT on Dr. Weinstein's income property; approve an extension of the approval date until April 23, 2020. This request was unanimously approved.
2. Care Management Services, LLC - Approve a \$10,000 increase in the line of credit from \$75,000 to \$85,000; allow advances of the line of credit from purchase orders. This request was unanimously approved.
3. Point of Excellence Beauty Academy, LLC - \$250,000 surety performance bond and \$50,000 EPIP term loan. The request was approved with one abstention and one vote against the request. Chuck Martin abstained from voting. Laura Pasternak voted against the request.
4. Alleen's Hair Focus, LLC - Extend the term loan maturity for 24 months (until July 26, 2022) with the same 15 year amortization and interest rate. This request was unanimously approved.

NOTE: Kenny Oreagba was not present during this portion of the meeting.

MINUTES

March 26, 2020

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the minutes as presented.

EXTENSION

Presenter: Tim Smoot

Applicant: Flight Fab, Inc.

Loan Amount: \$800,000 Contract Financing Line of Credit

Original Approval Date: September 12, 2019

Request: Approval to provide a 60-day approval extension on the Line of Credit Renewal and modification through June 25, 2020, was requested.

Discussion: The following was discussed:
a) Reason(s) for the delay in closing
b) Renewal approval requirements
c) Borrower's compliance with the reporting requirements

Action Taken: Upon motion duly made and seconded, the Authority unanimously approved the request as presented.

REPORT

Presenter: Anthony Williams

Applicant: Tri-State Solutions of Maryland, LLC

Loan Amount: \$260,000 Term Loan

Original Approval Date: March 12, 2020

Comments: The following was requested:
a) Reduce the amount of the collateral assignment of Herman Barber's life insurance policy requirement from \$260,000 to \$250,000.
b) Defer the borrower's loan payments for 3 months after closing.

Action Taken: The request was approved on behalf of the Authority by Les Hall, Chairman.

The Open Meeting then closed at 1:25 p.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), "to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter", that is, the Maryland Public Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information. Chairman Les Hall signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an exhibit.

APPROVED:



Celester A. Hall
Chairman

DATE:

5-18-20

MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING
UNDER THE OPEN MEETINGS ACT
(General Provisions Article § 3-305)**

1. Recorded vote to close the meeting:

Date: April 23, 2020

Time: 1:25 pm – 3:02 pm

Location: Teleconference call meeting with public call-in number due to COVID-19 restriction (866.453.5550/7545643)

Motion to close meeting made by: Laura Pasternak; Seconded by Clem Kaikis

Vote to Close Session:

	AYE	NAY	ABSTAIN	ABSENT
Celester Hall, Chair, Designee Secretary of Commerce	[x]	[]	[]	[]
Clemis Kaikis, designee of Comptroller	[x]	[]	[]	[]
Charles Martin	[x]	[]	[]	[]
Kehinde Oreagba	[x]	[]	[]	[]
Laura Pasternak	[x]	[]	[]	[]
Sharon Pinder	[x]	[]	[]	[]
Gina Ramsey	[x]	[]	[]	[]
Mara Sierocinski	[x]	[]	[]	[]

2. Citation of statutory authority to close session (check all that apply): This meeting is being closed under General Provisions Article § 3-305(b), only:

____ (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals;

___ (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;

___ (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;

___ (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;

___ (5) To consider the investment of public funds;

___ (6) To consider the marketing of public securities;

X (7) To consult with counsel to obtain legal advice on a legal matter;

___ (8) To consult with staff, consultants, or other individuals about pending or potential litigation;

___ (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;

___ (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;

___ (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;

___ (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;

X (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;

___ (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, *if* public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

3. Disclosure of the topics to be discussed, for each citation checked above:

§3-305(b)(13) topics: Discussion and evaluation of the applications received from potential borrowers for financial assistance under programs of the Maryland Small Business Development Financing Authority, which applications include the disclosure of financial information of private individuals and confidential commercial and financial information.

§3-305(b)(7) topics: Legal advice from counsel to the Authority with respect to the applications.

4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:

§3-305(b)(13): Financial information of private individuals is protected from disclosure under the Maryland Public Information Act (§4-336) and confidential commercial and financial information is protected from disclosure under the Maryland Public Information Act (§4-335).

§3-305(b)(7): Protection of the attorney-client privilege.

This statement is made by Celester Hall, Chair of the Maryland Small Business Development Financing Authority, Presiding Officer.

A handwritten signature in blue ink, appearing to read "Celester Hall", is written over a horizontal line.

Celester Hall
Chair